

# FEDERAL REGISTER

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## Rules, Regulations, Orders

### TITLE 7—AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION

**DETERMINATION OF FAIR AND REASONABLE WAGES FOR PERSONS EMPLOYED IN PRODUCTION, CULTIVATION, OR HARVESTING OF SUGARCANE IN HAWAII DURING PERIOD SEPTEMBER 1, 1937 TO DECEMBER 31, 1937**

(Revised)

Whereas Section 301 (b) of the Sugar Act of 1937 provides, as one of the conditions for payment to producers of sugar beets and sugarcane, as follows:

(b) That all persons employed on the farm in the production, cultivation, or harvesting of sugar beets or sugarcane with respect to which an application for payment is made shall have been paid in full for all such work, and shall have been paid wages therefor at rates not less than those that may be determined by the Secretary to be fair and reasonable after investigation and due notice and opportunity for public hearing; and in making such determinations the Secretary shall take into consideration the standards therefor formerly established by him under the Agricultural Adjustment Act, as amended, and the differences in conditions among various producing areas: *Provided, however,* That a payment which would be payable except for the foregoing provisions of this subsection may be made, as the Secretary may determine, in such manner that the laborer will receive an amount, insofar as such payment will suffice, equal to the amount of the accrued unpaid wages for such work, and that the producer will receive the remainder, if any, of such payment and

Whereas Section 301 (e) of the said Act provides, in part, as follows:

The conditions provided in . . . subsection (b) with respect to wage rates, of this section shall not apply to work performed prior to the enactment of this Act: . . .

and

Whereas the Secretary of Agriculture, on November 29, 1937,<sup>1</sup> held a public hearing in Honolulu, Hawaii, for the purpose of receiving evidence likely to be

of assistance to him in determining fair and reasonable wage rates for persons employed in the production, cultivation, or harvesting of sugarcane in Hawaii during the period September 1, 1937, to December 31, 1937:

Now, therefore, I, H. A. Wallace, Secretary of Agriculture, after investigation and due consideration of the evidence obtained at the aforesaid hearing and all other information before me, do hereby determine that the requirements of Section 301 (b) of the Sugar Act of 1937 shall be deemed to have been met with respect to the production, cultivation or harvesting of sugarcane on the farm in the Territory of Hawaii, during the period from September 1, 1937, to December 31, 1937, if all persons employed for such work on the farm during that period shall, in addition to receiving the customary perquisites furnished by the producer, have been paid in full for all such work at not less than the rates agreed upon, including the turnout and sugar price bonus earned (such rates in the case of long term cultivation or irrigation agreements in effect, or entered into during the period from September 1, 1937, to December 31, 1937, to be the amounts due and payable under such agreements in said period for such work), plus a per centum of such rates to be paid to all such persons who were not paid monthly salaries of \$100 or more, as specified below:

*For farms for which the average daily wage paid in 1937 was—*

\$1.916 or less	20
From \$1.917 through \$1.932	19
From \$1.933 through \$1.948	18
From \$1.949 through \$1.965	17
From \$1.966 through \$1.982	16
From \$1.983 through \$1.999	15
From \$2.000 through \$2.017	14
From \$2.018 through \$2.035	13
From \$2.036 through \$2.053	12
From \$2.054 through \$2.072	11

<sup>1</sup> In rounding numbers to the third decimal digit: A digit less than 5 is discarded; a digit greater than 5 adds 1 to the next digit to the left. An even 5 is dropped, and the digit next to the left, if even, is unchanged; if odd, is raised.

*The applicable per centum by which the agreed upon rates are to be increased shall be—*

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<sup>1</sup> 5 F. R. 576 DL.





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For farms for which the average daily wage paid in 1937 was—Continued

The applicable percentum by which the agreed upon rates are to be increased shall be—	
From \$2.073 through \$2.091.....	10
From \$2.092 through \$2.110.....	9
From \$2.111 through \$2.130.....	8
From \$2.131 through \$2.150.....	7
From \$2.151 through \$2.170.....	6
\$2.171 or more.....	5

For the purpose of computing the increased amounts to be paid for work performed under long term cultivation or irrigation agreements, the applicable percentum shall be applied to a rate of not less than \$2.20 in the case of adult males and not less than \$1.65 in the case of females and non-adult males, for each day (computed on the basis of eight hours per day, as herein provided) worked thereunder by them during the period from September 1, 1937, to December 31, 1937.

The average daily wage paid in 1937 shall be calculated by taking the average wage paid for an eight-hour working day (including the total turn-out and sugar price bonus applicable to each month of the calendar year 1937) to adult unskilled male laborers employed in the production, cultivation or harvesting of sugarcane during the calendar year 1937 (including such laborers employed by adherent planters in the cutting of sugarcane on the farm during the calendar year 1937). Such average shall be determined by computing the wages paid to those employed in planting, fertilizing, irrigating, cutting, loading, hauling or fluming, cultivating (short term), mechanical harvesting of sugarcane, laying or removing portable track or flumes, those employed under long term cultivation or irrigation agreements and those employed as minimum rate field hands.

In such average, the earnings of adult unskilled male laborers who are employed under long term cultivation or irrigation agreements shall be computed at the rate of \$2.20 for an eight-hour working day, by applying such rate of earnings to the number of days worked thereunder during the calendar year 1937.

In those cases where the hourly time is kept, the eight-hour working day shall be computed by dividing the total number of men hours worked in 1937 by eight. In those cases where the hourly time is not kept, any day during which work was performed, as aforesaid, by adult unskilled male laborers shall be deemed to be an eight-hour working day.

This determination supersedes the "Determination of Fair and Reasonable Wages for Persons Employed in the Production, Cultivation, or Harvesting of Sugarcane in Hawaii, during the period September 1, 1937 to December 31, 1937. Pursuant to the Sugar Act of 1937", issued April 1, 1938.<sup>1</sup>

Done at Washington, D. C., this 7th day of July, 1938. Witness my hand and the Seal of The Department of Agriculture.

[SEAL]

H. A. WALLACE,  
Secretary.

[F. R. Doc. 38-1933; Filed, July 7, 1938;  
12:36 p. m.]

## TITLE 26—INTERNAL REVENUE

### BUREAU OF INTERNAL REVENUE

[T. D. 4824]

#### STAMP TAX REGULATIONS AMENDED

REGULATIONS 71, ARTICLES 2, 35, AND 41,  
AMENDED

#### To Collectors of Internal Revenue and Others Concerned:

In conformity with the provisions of sections 701 (j) and 711 of the Revenue Act of 1938, Regulations 71, approved July 16, 1932, as amended, are further amended as follows:

Article 2, as amended by Treasury Decision 4752,<sup>2</sup> is further amended to read as follows:

"ART. 2. *Effective period.*—The stamp tax provisions of the Revenue Act of 1926, as amended by the Revenue Act of 1928, are still in full force and effect, except as amended by the Revenue Acts of 1932 and 1934, the Act of June 29, 1936, and the Revenue Act of 1938. The amendments made by the Revenue Act of 1932 are effective on and after June 21, 1932. The amendment made by the Revenue Act of 1934 is effective on and after May 11, 1934. The amendment made by the Act of June 29, 1936, is effective on and after that date. The

<sup>1</sup> 3 F. R. 808 DI.

<sup>2</sup> 2 F. R. 1284 (1537 DI).

rates of tax, as well as the additional taxes, imposed by the amendments made by the Revenue Acts of 1932 and 1934 to Schedule A of Title VIII of the Revenue Act of 1926, as amended by the Revenue Act of 1928, are effective only to and including June 30, 1939. The amendments made by section 711 of the Revenue Act of 1938 are effective on and after July 1, 1938. The repeal by section 701 (j) of the Revenue Act of 1938 of the tax imposed by Schedule A-4 of Title VIII of the Revenue Act of 1926, as amended, on sales of produce for future delivery is effective as of July 1, 1938."

Immediately after the quotation of section 723 (c) of the Revenue Act of 1932, as amended, which precedes article 31, the following subtitle and quotation of section 711 (a) and (c) of the Revenue Act of 1938 are inserted:

#### Section 711 (a) and (c) of the Revenue Act of 1938

(a) Subdivision 3 of Schedule A of Title VIII of the Revenue Act of 1926, as amended, is amended by inserting at the end thereof the following new paragraphs:

"The tax shall not be imposed upon deliveries or transfers of shares or certificates—

"(1) From the owner to a custodian if under a written agreement between the parties the shares or certificates are to be held or disposed of by such custodian for, and subject at all times to the instructions of, the owner; or from such custodian to such owner;

"(2) From such custodian to a registered nominee of such custodian, or from one such nominee to another such nominee, if in either case the shares or certificates continue to be held by such nominee for the same purpose for which they would be held if retained by such custodian; or from such nominee to such custodian.

"No exemption shall be granted under this paragraph unless the deliveries or transfers are accompanied by a certificate setting forth such facts as the Commissioner, with the approval of the Secretary, may by regulation prescribe as necessary for the evidencing of the right to such exemption. No delivery or transfer to a nominee shall be exempt under this paragraph unless such nominee, in accordance with regulations prescribed by the Commissioner, with the approval of the Secretary, is registered with the Commissioner.

"Any person who, with intent to evade the tax provided in this subdivision, falsely makes a certificate accompanying any delivery or transfer shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than \$1,000, or imprisoned not more than six months, or both."

(c) The amendments made by this section shall be effective with respect to transfers or deliveries made after June 30, 1938.

Article 35, as amended by Treasury Decision 4806,<sup>1</sup> is further amended by adding the following new subparagraph at the end thereof:

"(v) (1) The delivery or transfer after June 30, 1938, of shares or certificates from the owner thereof to a custodian, if under a written agreement between the owner and the custodian, the shares or certificates so delivered or transferred are to be held or disposed of by such custodian for, and subject at all times

<sup>3</sup> 3 F. R. 1330 DI.



to the instructions of, the owner; also from such custodian to such owner. No exemption shall be granted in either case unless the delivery or transfer is accompanied by a certificate setting forth the following:

- (1) Name and address of owner,
- (2) Name and address of custodian,
- (3) Name of issuing corporation and class and number of shares,
- (4) Date of the delivery or transfer,
- (5) Date of the written custodian agreement, and
- (6) A statement that the agreement requires the custodian to hold the shares or certificates for the owner and subject to his instructions.

"(2) The delivery or transfer after June 30, 1938, from such custodian to a registered nominee of such custodian, or from one such nominee to another such nominee, if the shares or certificates continue to be held by the nominee for the same purpose for which they would be held if retained by such custodian; also from such nominee to such custodian. No exemption shall be granted unless the nominee is registered in the manner provided for the registration of persons conducting a stock brokerage business as specified in subparagraph (h) added to article 126 by Treasury Decision 4701, and the delivery or transfer is accompanied by a certificate setting forth the facts.

"(3) The custodian contemplated by this subparagraph (v) is a mere custodian and does not include a trustee. A mere custodian is a person to whom there are delivered or transferred shares or certificates of stock to be held or disposed of by the custodian for, and subject at all times to the instructions of, the owner and not otherwise."

Immediately after the quotation of section 726 (c) of the Revenue Act of 1932, as amended, which precedes article 41, the following subtitle and quotation of section 701 (j) of the Revenue Act of 1938 are inserted:

*Section 701 (j) of the Revenue Act of 1938*

(j) *Sales of produce for future delivery.*—The tax imposed by subdivision 4 of Schedule A of Title VIII of the Revenue Act of 1926, as amended, shall not apply to sales, agreements of sale, or agreements to sell made after June 30, 1938. Effective July 1, 1938, section 726 (c) of the Revenue Act of 1932, as amended, is repealed.

Article 41 is amended by adding the following new paragraph at the end thereof:

"By virtue of the provisions of section 701 (j) of the Revenue Act of 1938, the stamp tax on sales of products or merchandise for future delivery does not apply to sales made on and after July 1, 1938. Accordingly, the provisions of these regulations relative to such tax do not apply to transactions which take place after June 30, 1938. However, such provisions remain in full force and effect

with respect to transactions occurring prior to July 1, 1938."

Immediately after the quotation of section 724 (c) of the Revenue Act of 1932, as amended, which precedes article 119, the following subtitle and quotation of section 711 (b) and (c) of the Revenue Act of 1938 are inserted:

*Section 711 (b) and (c) of the Revenue Act of 1938*

(b) Subdivision 9 of Schedule A of Title VIII of the Revenue Act of 1926, as amended, is amended by inserting at the end thereof the following new paragraphs:

"The tax shall not be imposed upon deliveries or transfers of instruments—

"(1) From the owner to a custodian if under a written agreement between the parties the instruments are to be held or disposed of by such custodian for, and subject at all times to the instructions of, the owner; or from such custodian to such owner;

"(2) From such custodian to a registered nominee of such custodian, or from one such nominee to another such nominee, if in either case the instruments continue to be held by such nominee for the same purpose for which they would be held if retained by such custodian; or from such nominee to such custodian.

"No exemption shall be granted under this paragraph unless the deliveries or transfers are accompanied by a certificate setting forth such facts as the Commissioner, with the approval of the Secretary, may by regulation prescribe as necessary for the evidencing of the right to such exemption. No delivery or transfer to a nominee shall be exempt under this paragraph unless such nominee, in accordance with regulations prescribed by the Commissioner, with the approval of the Secretary, is registered with the Commissioner.

"Any person who, with intent to evade the tax provided in this subdivision, falsely makes a certificate accompanying any delivery or transfer shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than \$1,000, or imprisoned not more than six months, or both."

(c) The amendments made by this section shall be effective with respect to transfers or deliveries made after June 30, 1938.

This Treasury decision shall be effective as of July 1, 1938.

This Treasury decision is issued under the authority prescribed in section 1101 of the Revenue Act of 1926.

[SEAL] MILTON E. CARTER,  
Acting Commissioner of  
Internal Revenue.

Approved, July 5, 1938.

WAYNE C. TAYLOR,  
Acting Secretary of the  
Treasury.

[P. R. Doc. 38-1931; Filed, July 7, 1938;  
11:59 a. m.]

[T. D. 4825]

MISCELLANEOUS EXCISE TAX REGULATIONS  
AMENDED

ARTICLES 18, 20, AND 43, REGULATIONS 42,  
RELATING TO THE TAX ON TELEGRAPH,  
TELEPHONE, RADIO, AND CABLE FACILITIES,  
AND THE TAX ON ELECTRICAL ENERGY,  
AMENDED

To Collectors of Internal Revenue and  
Others Concerned:

In conformity with the provisions of sections 708 and 713 of the Revenue Act of 1938, Regulations 42, approved Octo-

ber 22, 1932, as amended by Treasury Decision 4393, approved September 20, 1933, are further amended as follows:

Immediately after the quotation of section 701 (b) of the Revenue Act of 1932 which precedes article 18 the following subtitle and quotation of section 708 of the Revenue Act of 1938 are inserted:

*Section 708 of the Revenue Act of 1938*

(a) Section 701 (b) of the Revenue Act of 1932 is amended to read as follows:

"(b) No tax shall be imposed under this section upon any payment received for services or facilities furnished to the United States or to any State or Territory, or political subdivision thereof, or the District of Columbia, nor upon any payment received from any person for services or facilities utilized in the collection of news for the public press or radio broadcasting, or in the dissemination of news through the public press or by means of radio broadcasting, if the charge for such services or facilities is billed in writing to such person. The right to exemption under this subsection shall be evidenced in such manner as the Commissioner with the approval of the Secretary may by regulation prescribe."

(b) The amendment made by subsection (a) of this section shall apply to the utilization after June 30, 1938, of services or facilities.

The first paragraph of article 18 is amended to read as follows:

"The exemptions authorized in section 701 (b), prior to its amendment by section 708 of the Revenue Act of 1938, are twofold in their scope, one being with reference to payments for services or facilities furnished to the United States or to any State or Territory, or political subdivision thereof, or the District of Columbia, and the other being with reference to payments received for services or facilities utilized in the collection of news for the public press or in the dissemination of news through the public press, if the charge for such services or facilities is billed in writing to such person. Section 701 (b), as amended by section 708 of the Revenue Act of 1938, also exempts payments received for services or facilities utilized on or after July 1, 1938, in the collection of news for radio broadcasting or in the dissemination of news by means of radio broadcasting if the charge for such services or facilities is billed in writing to such person."

Article 20 is amended to read as follows:

"ART. 20. *Public press and news radio broadcasting agencies.*—The tax does not apply to an amount paid solely for any of the services or facilities specified in section 701 (a) (1) or (2) which are utilized in connection with the collection of news for the public press or in the dissemination of news through the public press, provided such amount is billed in writing to the person paying for the services or facilities. On and after July 1, 1938, the tax does not apply, also, to amounts paid solely for any of the services or facilities specified in section 701 (a) (1) or 701 (a) (2) which are utilized on and after such date in the collection

<sup>1</sup> 1 F. R. 1642.



of news for radio broadcasting, or in the dissemination of news by means of radio broadcasting, provided the charge for such services is billed in writing to the person paying for the services.

"The exemption does not apply generally to all services or facilities furnished persons or agencies engaged in collecting and disseminating news through the public press or by means of radio broadcasting, but only to such dispatches, messages, conversations, leased wires, or talking circuit special services which deal with the collection and dissemination of news through the public press or by means of radio broadcasting. Carriers transmitting strictly news in connection with the collection and dissemination of such items through the public press or by means of radio broadcasting, will not be required to collect the tax on the charges therefor if a bill is rendered in writing and such charges are paid by a person or organization known to the carrier as being engaged in the business of collecting news or disseminating news through the public press or by means of radio broadcasting, and such person or organization certifies in writing that the services or facilities are so utilized.

"The exemption from tax authorized with respect to any payment received for services or facilities of this character applies only to amounts charged to newspapers, press associations, or news radio broadcasting agencies for messages from one newspaper, press association, or news radio broadcasting agency to another newspaper, press association, or news radio broadcasting agency, or to or from their bona fide correspondents which deal exclusively with the collection of news items for the public press or radio broadcasting or with the dissemination of news items through the public press or by means of radio broadcasting. The exemption does not extend to the collection and dissemination of information or items for publication in magazines, periodicals and trade and scientific publications published for information on certain subjects of interest to certain groups."

Immediately after the quotation of section 616 (c) of the Revenue Act of 1932, as amended by section 6 (a) of the Act of Congress approved June 16, 1933 (Public No. 73-73d Congress), which precedes article 43 as amended by Treasury Decision 4393, the following subtitle and quotation of section 713 of the Revenue Act of 1938 are inserted:

*Section 713 of the Revenue Act of 1938*

(a) Section 616 (c) of the Revenue Act of 1932, as amended, is further amended by inserting after the word 'plants' in the second sentence thereof a comma and the following words: 'or to electric and power plants or systems owned and operated by cooperative or nonprofit corporations engaged in rural electrification'.

(b) The amendment made by subsection (a) shall apply only to electric energy sold on or after July 1, 1938.

Article 43, as amended, is further amended by adding the following new paragraph at the end thereof:

"On and after July 1, 1938, sales of electrical energy by electric and power plants or systems owned and operated by cooperative or nonprofit corporations engaged in rural electrification, are exempt from tax."

This Treasury decision shall be effective as of July 1, 1938.

This Treasury decision is issued under authority prescribed in section 628 of the Revenue Act of 1932.

[SEAL] MILTON E. CARTER,  
Acting Commissioner of  
Internal Revenue.

Approved, July 5, 1938.

WAYNE C. TAYLOR,  
Acting Secretary of the  
Treasury.

[F. R. Doc. 38-1937; Filed, July 7, 1938;  
12:46 p. m.]

[T. D. 4826]

**INCOME TAX**

**INCOME FROM SALE OF PERSONAL PROPERTY  
DERIVED FROM SOURCES PARTLY WITHIN  
AND PARTLY WITHOUT THE UNITED STATES**

*To Collectors of Internal Revenue and  
Others Concerned:*

1. In order to accord with section 812 of Title V of the Revenue Act of 1938, enacted May 28, 1938 (Public No. 554, Seventy-fifth Congress, Chapter 289, third session), Regulations 94, 86, 77, 74, and 69 are amended as follows:

(a) The following is inserted immediately preceding: article 119-1, Regulations 94 and 86; article 671, Regulations 77 and 74; and article 311, Regulations 69, relating to income from sources within the United States:

"Section 812 of the Revenue Act of 1938, relating to retroactive exclusion of gain from purchase of personal property within the United States and sale within a possession of the United States, provides:

"Sec. 812. Retroactive exclusion of gain from purchase of personal property within the United States and sale within possession.

"Section 119 (e) of the Revenue Act of 1936, of the Revenue Act of 1934, of the Revenue Act of 1932, and of the Revenue Act of 1926, and section 217 (e) of the Revenue Act of 1926, are amended by striking out of the last sentence 'purchase of personal property within the United States and its sale within a possession of the United States or from the.' The amendments made by this section to the respective Acts amended shall be effective as to each of such Acts as of the date of enactment of such Act."

1 F. R. 1896.

(b) The following sentence is substituted for the first sentence of article 119-8 of Regulations 94 and 86, the first sentence of article 678 of Regulations 77 and 74, and the first sentence of article 324 of Regulations 69:

"Income derived from the purchase and sale of personal property shall be treated as derived entirely from the country in which sold, except that income derived from the purchase of personal property within a possession of the United States and its sale within the United States shall be treated as derived partly from sources within and partly from sources without the United States."

(c) Article 119-8 of Regulations 94 and 86, article 678 of Regulations 77 and 74, and article 324 of Regulations 69 are further amended by adding after the first sentence thereof the following:

"A possession of the United States constitutes a 'country', within the meaning of this article, separate and distinct from the United States. Hence income derived from the purchase of personal property within the United States and its sale within a possession of the United States shall be treated as derived entirely from within a possession of the United States.

(d) The following is substituted for the paragraph under subdivision "B" entitled "Personal property purchased and sold" and the subparagraph thereof entitled "Case I B" of article 119-12 of Regulations 94 and 86, of article 682 of Regulations 77 and 74, and of article 328 of Regulations 69:

"Personal property purchased and sold.—Gross income derived from the purchase of personal property within a possession of the United States and its sale within the United States shall be treated as derived partly from sources within the United States and partly from sources within a possession of the United States under one of the following cases:

"Case I B. The net income shall first be computed by deducting from such gross income the expenses, losses, and other deductions properly apportioned or allocated thereto and a ratable part of any expenses, losses, or other deductions which can not definitely be allocated to some item or class of gross income. The amount of net income so determined shall be apportioned in accordance with the total business of the taxpayer within the United States and within the possession of the United States, the portion attributable to sources within the United States being that percentage of such net income which the amount of the taxpayer's business for the taxable year or period within the United States bears to the amount of the taxpayer's business for the taxable year or period both within the United States and within the possession of the United States. The 'business of the taxpayer' as that term is used in this para-



graph shall be measured by the amounts which the taxpayer paid out during the taxable year or period for wages, salaries, and other compensation of employees and for the purchase of goods, materials, and supplies sold or consumed in the regular course of business, plus the amount received during the taxable year or period from gross sales, such expenses, purchases, and gross sales being limited to those attributable to the purchase of personal property within a possession of the United States and its sale within the United States."

2. This Treasury Decision is issued under the authority of section 62 of the Revenue Acts of 1936, 1934, 1932 and 1928, and section 1101 of the Revenue Act of 1926.

[SEAL] MILTON E. CARTER,  
Acting Commissioner of  
Internal Revenue.

Approved, July 5, 1938.

WAYNE C. TAYLOR,  
Acting Secretary of the  
Treasury.

[F. R. Doc. 38-1938; Filed, July 7, 1938;  
12:46 p. m.]

#### TITLE 43—PUBLIC LANDS GENERAL LAND OFFICE

[Circular No. 1082a]

#### SURVEY AND DISPOSAL OF INDIAN POSSESSIONS IN TRUSTEE TOWNS AND SURVEY AND DISPOSAL OF NATIVE TOWNS, IN ALASKA

1. *Statutory authority.*—The act of May 25, 1926 (44 Stat. 629), provides for the town-site survey and disposition of public lands set apart or reserved for the benefit of Indian or Eskimo occupants in trustee town sites in Alaska and for the survey and disposal of the lands occupied as native towns or villages.

2. *Administration of Indian possessions in trustee towns.*—As to Indian possessions in trustee town sites in Alaska established under authority of section 11 of the act of March 3, 1891 (26 Stat. 1095), and for which the town-site trustee has closed his accounts and been discharged as trustee, and as to such possessions in other trustee town sites in Alaska, such person as may be designated by the Secretary of the Interior will perform all necessary acts and administer the necessary trusts in connection with the act of May 25, 1926.

3. *Survey and disposal of Indian or Eskimo possessions.*—Where the matter of surveying and disposing of Indian or Eskimo possessions in trustee town sites is taken up for consideration, the town-site trustee will submit a report to the Commissioner of the General Land Office showing whether or not it would be of interest to the Indian or Eskimo occupants of the land to extend the established streets and alleys of the town site

upon and across the tract, and whether or not subdivisional surveys should be made. The report will be examined and considered by the Commissioner of the General Land Office, and will be referred to the Commissioner of Indian Affairs for consideration before transmittal to the Secretary with appropriate recommendations.

Before directing the survey and disposal of such Indian or Eskimo possessions under authority of the act of May 25, 1926, the Secretary of the Interior will determine whether or not the patent which issued for the town-site tract includes the tract designated as "Indian possessions". If it does not, a supplement patent will be issued, to accompany the departmental order for survey and disposal.

4. *Sale of land for which restricted deed has issued.*—If the parties to a proposed sale involving land for which a restricted deed has been issued under authority of the act of May 25, 1926, wish to have the sale approved by the Secretary of the Interior, the fact should first be submitted to the town-site trustee. Upon receiving information regarding any proposed sale, the trustee will make such investigation as he deems proper, and he will submit a report to the Commissioner of the General Land Office as to the advisability of approving the proposed sale. The report will be examined by the Commissioner of the General Land Office and will be referred to the Commissioner of Indian Affairs for consideration before transmittal to the Secretary of the Interior with appropriate recommendation.

5. *Administration of native towns.*—The trustee for any and all native towns in Alaska which may be established and surveyed under authority of section 3 of the said act of May 25, 1926, will take such action as may be necessary to accomplish the objects sought to be accomplished by that section. In any case in which he thinks it would be of advantage to the Indian or Eskimo occupants to have the lands occupied and claimed by them surveyed as town or village, he should bring the matter to the attention of the Commissioner of the General Land Office with appropriate recommendation.

6. *No payment, publication or proof required on entry for native towns.*—In connection with the entry of lands as a native town or village under section 3 of the said act of May 25, 1926, no payment need be made as purchase money or as fees, and the publication and proof which are ordinarily required in connection with trustee town sites will not be required.

7. *Provisions to be inserted in restricted deeds.*—The town-site trustee will note a proper reference to the act of May 25, 1926, on each deed which is issued under authority of that act and each such deed should provide that the title conveyed is inalienable except upon

approval of the Secretary of the Interior, and that the issuance of the restricted deed does not subject the tract to taxation, to levy and sale in satisfaction of the debts, contracts, or liabilities of the transferee, or to any claims of adverse occupancy or law of prescription; also, if the established streets and alleys of the town site have been extended upon and across the tract, that there is reserved to the town site the area covered by such streets and alleys as extended. The deed should further provide that the approval by the Secretary of the Interior of a sale by the Indian or Eskimo transferee shall vest in the purchaser a complete and unrestricted title from the date of such approval.

8. *Unrestricted deeds not to be issued.*—The trustee shall not issue other than restricted deeds to Indians or other Alaskan natives.

9. *Native towns occupied partly by white occupants.*—Native towns which are occupied partly by white lot occupants will be surveyed and disposed of under the provisions of both the act of March 3, 1891 (26 Stat. 1095, 1099), and the act of May 25, 1926 (44 Stat. 629).

In each case of this kind the town site trustee will report the facts to the Commissioner of the General Land Office, showing the name and location of the town, the number of Indian or Eskimo lot occupants and the number of white lot occupants, the amount of land used or claimed by each and the approximate periods for which it has been used or claimed, the value of the improvements on the lands and by whom owned, and such other facts as he may deem appropriate.

Upon receipt of such report special instructions will be issued as to the procedure which should be followed with respect to the survey, entry, and disposal of the lands, assessment of costs, etc.

10. *Forms.*—The following forms have been issued for use in connection with the regulations under the act of May 25, 1926: (a) Application for deed by native Indian or Eskimo of Alaska, Form 4-231; (b) trustee's deed to native Indian or Eskimo of Alaska, Form 4-232; and (c) deed of native Indian or Eskimo of Alaska, Form 4-232a.

11. *Regulations superseded and amended.*—These regulations supersede the regulations contained in Circular 1082 and amend the regulations contained in Circular 491 in so far as they refer to the subject matter herein.

12. *Regulations revoked.*—Paragraph 8 of the regulations concerning town sites in Alaska entered by trustees under the act of March 3, 1891 (26 Stat. 1095) page 103, Circular 491, dated February 24, 1928, is hereby revoked. The section so revoked reads as follows:

"Indian or native Alaskan occupants who have secured certificates of citizenship under the Territorial laws of Alaska shall be treated in all respects like white



citizen occupants; but all land occupied by other Indians or Alaskan natives shall not be assessed by the trustee."

Very respectfully,

FRED W. JOHNSON,  
Commissioner.

I concur: June 17, 1938.

WILLIAM ZIMMERMAN, JR.  
Assistant Commissioner of  
Indian Affairs.

Approved, June 21, 1938.

OSCAR L. CHAPMAN,  
Assistant Secretary.

[F. R. Doc. 38-1930; Filed, July 7, 1938;  
9:55 a. m.]

## Notices

### TREASURY DEPARTMENT.

Bureau of Customs.

[T. D. 49647]

NIAGARA FALLS MUNICIPAL AIRPORT, NIAGARA FALLS, NEW YORK, DESIGNATED AS AN AIRPORT OF ENTRY FOR A PERIOD OF ONE YEAR

JULY 2, 1938.

To Collectors of Customs and Others Concerned:

Under the authority of section 7 (b) of the Air Commerce Act of 1926 (U. S. C., title 49, sec. 177 (b)), the Niagara Falls Municipal Airport, Niagara Falls, New York, is hereby designated as an airport of entry for civil aircraft and merchandise carried thereon arriving from places outside the United States, as defined in section 9 (b) of the said act (U. S. C., title 49, sec. 179 (b)), for a period of one year from the date of this order.

[SEAL] STEPHEN B. GIBBONS,  
Acting Secretary of the Treasury.

[F. R. Doc. 38-1932; Filed, July 7, 1938;  
11:59 a. m.]

### FEDERAL POWER COMMISSION.

[Docket No. IT-5518]

IN THE MATTER OF NEW JERSEY POWER & LIGHT COMPANY AND JERSEY CENTRAL POWER & LIGHT COMPANY

ORDER INSTITUTING INVESTIGATION AND SETTING DATE OF HEARING

JULY 5, 1938.

Commissioners: Clyde L. Seavey, Acting Chairman; Basil Manly, John W. Scott, Claude L. Draper not participating.

It appearing to the Commission that:

(1) By order to show cause in the above matter adopted June 7, 1938, New Jersey Power & Light Company (hereinafter referred to as respondent) was required to submit on or before June 24, 1938, detailed information concerning

its reported acquisition of 341,350 shares of common stock of Jersey Central Power & Light Company in apparent violation of Section 203 (a) of the Federal Power Act, and show cause why the Commission should not proceed to enforce the requirements of said Act;

(2) On June 24, 1938, the respondent filed a return to said order to show cause wherein it avers that:

(a) On March 14, 1938, respondent, after obtaining the approval of the Board of Public Utility Commissioners of the State of New Jersey, by decision dated March 11, 1938, acquired 341,350 shares of the common stock of Jersey Central Power & Light Company, and that all of the conditions contained in said decision had been complied with;

(b) Jersey Central Power & Light Company is not a public utility as defined by the Federal Power Act;

(c) No approval of the Federal Power Commission was required by law to the acquisition by respondent of said shares of stock of Jersey Central Power & Light Company, and that respondent has not violated Section 203 (a) or any other provision of the Act in connection with the acquisition of such stock;

The Commission, having considered the matters set forth in the order to show cause and the return thereto, upon its own motion, orders that:

(1) An investigation be and is hereby instituted to determine all facts, conditions, practices or matters relating to the transaction whereby the respondent on March 14, 1938, acquired 341,350 shares of common stock of Jersey Central Power & Light Company;

(2) A public hearing on said matter be held on August 29, 1938, at 10 A. M. in the hearing room of the Commission, Hurley-Wright Building, 1800 Pennsylvania Avenue, N. W., Washington, D. C., to ascertain:

(a) Whether or not the transaction described in (1) hereinabove involved the purchase, acquisition, or taking by a public utility of any security of any other public utility within the meaning of Section 203 (a) of the Federal Power Act;

(b) All facts pertaining to any other issue raised by the order to show cause and the return thereto.

By the Commission.

[SEAL] LEON M. FUQUAY,  
Secretary.

[F. R. Doc. 38-1928; Filed, July 7, 1938;  
9:54 a. m.]

[Docket No. IT-5522]

APPLICATION OF HOLSTON RIVER ELECTRIC COMPANY

ORDER SETTING DATE OF HEARING

JULY 5, 1938.

Commissioners: Clyde L. Seavey, Acting Chairman; Basil Manly, John W.

Scott, Claude L. Draper not participating.

Upon application filed July 2, 1938, pursuant to Section 203 (a) of the Federal Power Act by Holston River Electric Company, a corporation organized under the laws of the State of Tennessee, having its principal place of business at 626 South Gay Street, Knoxville, Tennessee, for an order authorizing the disposition and sale of all of its electrical facilities to the Tennessee Valley Authority, as set forth in said application and the exhibits attached thereto;

The Commission orders that: A public hearing on said application be held on July 15, 1938, at 10 a. m. in the Hearing Room of the Commission, Hurley-Wright Building, 1800 Pennsylvania Avenue NW., Washington, D. C.

By the Commission.

[SEAL] LEON M. FUQUAY,  
Secretary.

[F. R. Doc. 38-1929; Filed, July 7, 1938;  
9:54 a. m.]

### SECURITIES AND EXCHANGE COMMISSION.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 5th day of July 1938.

IN THE MATTER OF F. T. CANON & COMPANY, INC., 40 EXCHANGE PLACE, NEW YORK, NEW YORK

#### ORDER REVOKING REGISTRATION

F. T. Canon & Company, Inc., a corporation, hereinafter called the registrant, having filed with the Commission on August 21, 1937 an application for registration on Form 3-M pursuant to Rule MB1<sup>1</sup> adopted by the Commission under Sections 15 (b), 17 (a) and 23 (a) of the Securities Exchange Act of 1934, as amended; and registration having become effective September 20, 1937; and

The Commission having issued an order on June 20, 1938, that proceedings be held to determine whether the registration of said registrant should be revoked or suspended pursuant to the provisions of Section 15 (b) of said Act; and

The Commission having reasonable grounds to believe that the said registrant is enjoined by decree of the Supreme Court of the State of New York, New York County, entered on November 30, 1937 from engaging in and continuing certain conduct and practices in connection with the purchase or sale of securities; and that the said registrant has willfully violated the provisions of Rule MB2 of the Rules and Regulations under the Securities Exchange Act of 1934, as amended; and that the said registrant has willfully made in the aforesaid application statements which

<sup>1</sup> F. R. 1578.



were, at the time and in the light of the circumstances under which they were made, false and misleading with respect to material facts; and that the said registrant has willfully violated the provisions of Section 5 (a) of the Securities Act of 1933, as amended; and having reasonable grounds to believe that it is in the public interest to revoke the said registration; and

The said registrant on June 25, 1938, having consented in writing to the revocation of said registration and having waived notice and opportunity for hearing in connection therewith, and the Commission having duly considered the matter and being fully advised in the premises;

*It is ordered*, Pursuant to Section 15 (b) of the Securities Exchange Act of 1934, as amended, that the registration of F. T. Canon & Company, Inc., as a broker and dealer transacting business on the over-the-counter markets be and the same is hereby revoked.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 38-1936; Filed, July 7, 1938;  
12:46 p. m.]

*United States of America—Before the  
Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission, held at its

office in the City of Washington, D. C., on the 5th day of July 1938.

[File No. 7-244]

**IN THE MATTER OF HECKER PRODUCTS CORPORATION COMMON STOCK, \$1 PAR VALUE**

**ORDER GRANTING APPLICATION**

Continuance of unlisted trading privileges on the Philadelphia Stock Exchange in the voting trust certificates representing the common stock, no par value, of Hecker Products Corporation having been permitted by action of this Commission on October 1, 1934; and

Said Exchange, pursuant to paragraph (b) of Rule JP2, having applied to this Commission setting forth that there are being effected changes in said security other than those specified in paragraph (a) of said Rule and asking the Commission to determine that said security, after said changes, is substantially equivalent to the said security heretofore admitted to unlisted trading privileges; and

The Commission having considered the matter;

*It is ordered*, That the determination sought by said application be and the same is hereby made.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 38-1934; Filed, July 7, 1938;  
12:45 p. m.]

*United States of America—Before the  
Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 6th day of July, A. D. 1938.

[File No. 32-95]

**IN THE MATTER OF LAWRENCE GAS AND ELECTRIC COMPANY**

**ORDER DESIGNATING NEW TRIAL EXAMINER**

Lawrence Gas and Electric Company having duly filed an application with this Commission pursuant to Section 6 (b) of the Public Utility Holding Company Act of 1935; the Commission by order dated June 20, 1938 having set the matter down for hearing on July 7, 1938 at ten o'clock in the forenoon of that day at the Securities and Exchange Commission Building, 1778 Pennsylvania Avenue, N. W., Washington, D. C.,<sup>1</sup> and the Trial Examiner designated to preside at said hearing now being engaged in another matter and unable to preside at said hearing;

*It is ordered*, That Robert P. Reeder, an officer of the Commission, be and hereby is designated to preside at such hearing in the place and stead of and with the same powers and duties as the Trial Examiner heretofore designated to preside at such hearing.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 38-1935; Filed, July 7, 1938;  
12:45 p. m.]

<sup>1</sup> 3 F. R. 1458 DL.

